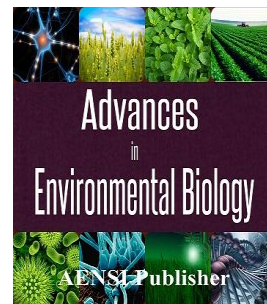




AENSI Journals

Advances in Environmental Biology

ISSN-1995-0756 EISSN-1998-1066

Journal home page: <http://www.aensiweb.com/AEB/>

Assessing Tourism Economic Impact on Local Community in Lenggong Valley.

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ARTICLE INFO

Article history:

Received 12 October 2014

Received in revised form 26 December 2014

Accepted 1 January 2015

Available online 17 February 2015

Key words:

Tourism, Economic Impact, Local Community, Lenggong Valley

ABSTRACT

Later on its recognition received in 30th June 2012, Lenggong Valley should be given serious attention by local government in terms of its community development. Instead of just giving a brand to the site. The recognition as a World Heritage Site to any place is in the hope to increase the revenue and help to improve the income and quality of life of the people. Among the sectors that local people could venture into include transportation, food and beverages, lodging accommodation and tour operator. Quantitative method approach will be using to obtained data from the respondents. The survey form is distributed among four which are food and beverages, transportation, lodging accommodation and tour guide. Based on 119 respondents involved in business in the Lenggong Valley, this paper assess the economic impact on those sectors in Lenggong Valley after two years of its recognition.

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To Cite This Article: Anis Fadhilah Mat Wahi, Mohamad Azwan Yusop, Mastura Jaafar @ Mustapha and Abdul Ghapar Othman., Assessing Tourism Economic Impact on Local Community in Lenggong Valley. *Adv. Environ. Biol.*, 9(4), 55-58, 2015

INTRODUCTION

Tourism industry in Malaysia is a beginning of earning on significant foreign exchange, which contribute to economic growth, attract new investments and provides employment [1]. It has been stated in that report that among the three business opportunities could be developed from tourism development are food and beverage outlets, local transportation, tour operator and lodging accommodation. In local economic development, if certain area receives recognition from a recognized body such as the United Nations Educational, Scientific and Cultural Organizations (UNESCO), it will give great impact on the economic development of that area. Once being recognized by the UNESCO, the area will normally go through economic development due to title received. The World Heritage Site is not simply important for each nation, but also for the world's humanity as what had been stated by UNESCO:

"The cultural and natural heritage is among the priceless and irreplaceable assets, not only of each nation, but of humanity as a whole," [2].

At a macro scale, economic development helps to generate more tax income to the state, while at the micro scale (district or a mukim), it could serve the locals gain better quality of life as they are taking part in the economic process. Local people should seize the opportunity to improve their life with the possible economic activities arise from the process. Local economic development is important to help the locals to have better income and life in the future. From the experience of Melaka and George Town recognition as the Historical Cities have attracted millions of tourists to these two cities over the past five years. It generates lots of opportunities that benefit both government and local community. The business activities such as food and beverages, transportation and tour operator are benefitting from this recognition. Besides that, these recognitions have strengthened the position of Malaysia as an international tourism destination [3].

On the other hand, Lenggong as a rural area in Hulu Perak is filled with wonderful values of heritage, as evidence of the early human colonization in this country, and Asia in general. The valuable heritage discovery that brought out the "Perak Man" in Gua Gunung Runtuh has proved the existence of an early human colonization. Valuable heritage items, which were used by the people of that era, were also discovered at this site [4]. The discovery has let Lenggong to be listed as a World Heritage Site on 30 June 2012. Together with the acknowledgment, it brings this area the opportunity to grow prosperously with its own unique identity.

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Literature Review:

Tourism has significant potential as a driver for growth for the world economic system. The tourism economy represents 5 percent of world Growth Domestic Product, while it contributes to 6-7 percent of total employment [5]. Tourism was encouraged first because of its economic impacts. Tourism is an engine for generating a range of new private and public income opportunities. The most immediate and direct benefit of tourism development is the creation of jobs and the opportunity for people to increase their income and standard of living in local residential areas. Hence local communities turn to tourism as a way of growing income, increase employment and living standards [6].

Impacts of tourism should be considered because the effect is to determine the acceptance of people towards tourism development of a destination. Even tourism impacts need to be considered in planning and developing tourism as it determines whether a destination's tourism industry will continue to grow or otherwise. In the context of tourism, impact refers to the impact of an aspect as a result of tourism development. In other words, to develop tourism in a destination, then certainly have some impact on some aspects, especially the economic, environmental and socio-cultural. Normally a positive impact to further develop the tourism industry and the negative impacts causing a decline in the tourism industry [8].

Local economic development considers tourism as an effective and important driver. The economic contribution through local economic development using tourism as a medium is the "local contribution" of the total tourism expenditure in the local economic system. The "income multiplier" is used to describe the amount of indirect economic activity resulting from the local contribution. Larger local contribution and larger multiplier lead to greater economic activity in the local economy. In destinations where a large percentage of tourist needs are locally supplied (accommodation, food and beverage, tour service, transportation service, souvenirs and etc.), local contribution and multipliers tend to be higher[5].

Methodology:

The data on business operating in Lenggong Valley was obtained from Majlis Daerah Lenggong and the recent update is on 2012. The data showed that food and retail activity was the most economic activities preferred by 225 operators in the whole district of Lenggong. This number are followed by market activity with 215 operators, general business activity with 129 operators and other unspecified activity with 51 operators. Industry and hawker activities are the bottom two economic activities with 34 and 23 operators respectively. Using snowball sampling, a total of 119 survey forms managed to be distributed and collected.

RESULTS AND DISCUSSION

All the data analysis and finding is based from the primary source of the data collection. A total of 119 respondents have participated in this survey.

Table 1: Survey form distribution

Categories	Number of respondents
Accommodation	37
Food and beverage	59
Transportation	13
Tour guide	10
Total	119

Table 2: Demand according to business sector

Business activity after recognition of Lenggong as WHS			Increasing demand for your business product		Total
			Yes	No	
Accommodation	Recognition attracts more people to come to Lenggong	Yes	37	0	37
	Total		37	0	37
Food and beverage	Recognition attracts more people to come to Lenggong	Yes	45	10	55
		No	1	3	4
	Total		46	13	59
Transportation	Recognition attracts more people to come to Lenggong	Yes	13	0	13
	Total		13	0	13
Tour guide	Recognition attracts more people to come to Lenggong	Yes	10	0	10
	Total		10	0	10

Table 2 is to identify the demand for respondents' business activity after world heritage site recognition. All respondents who are running accommodation, transportation and tour guide activities agreed that the recognition on Lenggong did attract more people to come to Lenggong. Only 4 respondents from the food and beverage activity did not agree that the recognition attracts more people to come to Lenggong. In term of increasing demand for business product, respondents who are running accommodation, transportation and tour guide again agreed that there is increasing demand for their business products. Only 3 respondents from food and beverage activity found out that there is no increasing demand for their business product. What the respondents are experiencing now in term of more people coming in to Lenggong is actually proving the news reported by several local newspapers (i.e Peraknews) about the number of tourists is increasing up to 5 thousands per month. This shows beginning of the positive result from the recognition of UNESCO. Accommodation respondents responded that there are increasing demand and the customers are mostly from outside of Perak. For food and beverage activity, the demand is increasing mostly from the local community. Transportation activity is also experiencing demand, but from both local and outside Lenggong.

Table 3: Business performance according to business sector

Business activity after recognition of Lenggong as WHS			Higher profits after recognition of Lenggong as WHS		Total
			Yes	No	
Accommodation	Recognition attracts more people to come to Lenggong	Yes	36	1	37
	Total		36	1	37
Food and beverage	Recognition attracts more people to come to Lenggong	Yes	38	17	55
		No	1	3	4
	Total		39	20	59
Transportation	Recognition attracts more people to come to Lenggong	Yes	13	0	13
	Total		13	0	13
Tour guide	Recognition attracts more people to come to Lenggong	Yes	10	0	10
	Total		10	0	10

Data in table 3 assessed the performance of respondents business after the WHS recognition. From this table, 98 respondents verified that their business gained higher profits after the recognition as WHS. 36 out of 37 respondents who are doing accommodation business believe that they received higher profits. As for transportation and tour guide, all the respondents agreed that they are also receiving higher profits after the recognition. As for food and beverage, 20 respondents verified that they do not achieve higher profits after the recognition. This basically means that the business is static, where it is not expanding or contracting in term of profits. Tourism might not attract sufficient visitors quickly enough to generate the quantities of revenue needed to meet the expectations of the community [7]. Since, the recognition is still considered new, therefore some operators need to be patients and work harder before they achieve what they expected.

Conclusion:

The research data and finding shows economic impact from the recognition of the World Heritage Site to the existing businesses in Lenggong Valley. The alterations in economic activities in Lenggong have been evaluated based on four main activities, which include food and beverages, transportation, tour operator and accommodation activities. All these activities are the most related activities related to tourism activity as proposed in the Laporan Tahunan ETP (2012). The assessment has been done based on two measures that are business demand and performance. The feedbacks from the respondents shows that those who operate on accommodation activity are to be the most impacted compared to other sectors. Respondents from this activity clarified that they have good demand for their business even though it is periodic, and their confidence level are increasing from the tourism activity. The local leader and representatives are also giving good support and encouragement to the operators through several program and annual activities such as Pesta Makan Tradisional, and sports activities.

The result revealed on the positive result from the recognition, thus it can be applied as an attempt to energize the feeling among the local community to take part in the economic business. This shows that the economic activities did help people to earn a better income, which could help them to improve their life.

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